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*Reprinted from the (Harvard) "Quarterly Journal of Economics,"
Vol. IX., No. 3, April, 1895*

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10/10/95

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BOSTON

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1895

ARISTOTLE'S DOCTRINE OF BARTER.

THERE is a passage in the 11th chapter of the 1st book of the *Politics* which has occasioned no little perplexity to translators and commentators. It is that in which, after contrasting — as he has repeatedly done before in slightly different terms — Chrematistic in its most proper form and the Chrematistic of Trade, he goes on: —

τρίτον δὲ εἶδος χρηματιστικῆς μεταξὺ ταύτης καὶ τῆς πρώτης (ἔχει γὰρ καὶ τῆς κατὰ φύσιν τι μέρος καὶ τῆς μεταβλητικῆς) ὅσα ἀπὸ γῆς καὶ τῶν ἀπὸ γῆς γινομένων ἀκάρπων μὲν χρησίμων δέ, οἷον ὑλοτομία τε καὶ πᾶσα μεταλλευτική. αὕτη δὲ πολλὰ ἤδη περιείληφε γένη, πολλὰ γὰρ εἶδη τῶν ἐκ γῆς μεταλλευομένων ἐστίν.*

Jowett translates this as follows: —

There is still a third sort of money-making, [a not very satisfactory translation of *χρηματιστικῆς*] intermediate between this and the first, which is partly natural, but is also concerned with exchange of the fruits and other products of the earth. Some of these latter, although they bear no fruit, are nevertheless profitable; for example, wood and minerals. The art of mining, by which minerals are obtained, has many branches; for there are various kinds of things dug out of the earth.†

It is not easy to see from this wherein consists the intermediate character of the kind of Chrematistic here described. In his introductory abstract,‡ to which we naturally turn next, Jowett gives the sense of the argument thus: —

The practice of money-making [let us use rather the non-committal “Chrematistic”] has many branches: the knowledge of live stock, tillage, planting, the keeping of bees, fish, poultry, — all these are legitimate. The illegitimate are (1) commerce, of which there are three subdivisions, — commerce by land, commerce by sea, and selling in shops; (2) usury; (3) service for hire, skilled and unskilled. There are also arts in which products of the earth, such as wood and minerals, are exchanged for money: these are an intermediate kind.

*The usual punctuation is here retained. Upon the parenthesis see the letter of Professor Goodwin at the end of this paper.

† *The Politics of Aristotle* (1885), i. 20.

‡ *Introduction*, xxv.

This seems to suggest that their intermediateness consists, either in exchange *for money*, or in the exchange for money of *direct products of the earth*. But this would seem to make it necessary to suppose that by “commerce” — (ἐμπορία), a distinctly illegitimate form of Chrematistic — Aristotle meant either the exchange for money of things which were *not* direct products of the earth — *i.e.*, only of manufactured goods — or the exchange of natural products for *something else than money*; neither of which suppositions appears tenable.

In the “Synopsis of the Various Divisions of κτητική,” given in the Notes,* another view seems to be taken. There ὕλοτομία and μεταλλευτική are themselves given as examples of ἡ μεταξύ; and this, when reproduced in English by Professor D. G. Ritchie in his article on “Aristotle,” in Mr. Palgrave’s *Dictionary of Political Economy*, appears thus:—

- (2) Intermediate.
- (a) wood-cutting.
- (b) mining.

But, with all respect for Aristotle’s subtlety of distinction, it is hard to believe that he could have thought “wood-cutting” less natural than the keeping of flocks or agriculture.

Mr. W. L. Newman does not venture on any definite interpretation, and freely expresses his perplexity. The whole chapter, he says, is one “differing both in matter and manner from the chapters which precede and follow it, and for which we can hardly be said to have been prepared in advance.” † “The account given of χρηματιστική in c. 11 differs in many respects from that given in cc. 8–10. Three kinds of χρηματιστική are now distinguished, not two only as before,—the natural kind, ἡ μεταβλητική, and a kind midway between the two of which we have heard nothing in cc. 8–10.” ‡ And, when he reaches τρίτον δὲ εἶδος, κ.τ.λ., he remarks: “How can this kind be said to possess any of the characteristics of μεταβλητική? Probably because, though the commodities it acquires are acquired from the earth, it does not seek wealth ἀπὸ τῶν καρπῶν καὶ τῶν ζώων (1258 a. 38), but seeks it

* Vol. ii. pt. 1, p. 35.

† *The Politics of Aristotle* (1887), ii. 196.

‡ *Ibid.*, 197.

from things ἀκαρπα μὲν χρήσιμα δέ, such as timber trees.”* Here the distinction is made to depend on the absence of life in the things sought for. This is certainly not so satisfactory an explanation as to make it useless to look further.

On reading over the first book of the *Politics* lately to get the general economic doctrine of the master, it has been borne in upon the present writer that there is at least a possibility that the chapter does not indicate any substantial change of ground; that it is possible that, after all, Aristotle is but doing here what is so characteristic of his method,—repeating in a somewhat different form an idea already presented.

Aristotle has been concerned in the three previous chapters to define the relations between Chrematistic (the art of acquisition) and Economic (the art of household management). He seeks to do this by distinguishing between different kinds of Chrematistic; and in chapters 8 and 9 he makes two attempts, from slightly different points of view, to explain wherein the difference consists.

In chapter 8 he tries to reach the distinction for which he is searching by directing attention to the various ways in which men provide themselves with food. He points to shepherds, hunters (among whom he reckons, oddly enough, pirates), and fishermen, and to that greater number who get their livelihood from the soil and from the crops or “fruits” produced by its cultivation (ἀπὸ τῆς γῆς καὶ τῶν ἡμέρων καρπῶν, 1256 a. 39). Such modes of life—he sums up—have, as their common property, a direct personal effort (to obtain subsistence):† they do not secure food by barter and trade. It is the absence of intermediaries which distinguishes them. And it is evidently to these he is alluding when, towards the end of the chapter, he concludes that

* *The Politics of Aristotle* (1887), ii. 202.

† οἱ μὲν οὖν βίῳ τοσούτοι σχεδόν εἰσι, ὅσοι γε αὐτόφυτον ἔχουσι τὴν ἐργασίαν. For this difficult passage Jowett gives two alternative translations: “whose industry is employed immediately upon the products of nature” and “whose labor is personal” (i. 13). Mr. Newman (ii. 171) suggests “lives whose work is self-wrought” and not achieved with the help of others. Aristotle is clearly thinking of *direct* action upon nature; but the stress of the argument would seem to lie on the *directness*. Professor W. W. Goodwin has since suggested to me the translation “who deal personally (i.e., *at first hand*) with Nature in their work.”

“there is, then, one kind of Chrematistic which is according to nature and a part of Economic.”

He proceeds to strengthen this conclusion by a consideration of another kind. “A store of things necessary for life and serviceable for the association of the household or state” (as the case may be) “must either exist beforehand or be provided.” (Notice, in passing, the use of *χρησίμων* in *θησαυρισμὸς χρημάτων πρὸς ζωὴν ἀναγκαίων καὶ χρησίμων εἰς κοινωνίαν πόλεως ἢ οἰκίας*.) “This seems to constitute true wealth. For a sufficiency of property of this kind, for the purposes of a good life, is not a limitless thing. The tools [or implements] of no art are unlimited in number and size; and wealth is simply a collection of tools for the purposes of the family or state.”

If, then, he goes on in chapter 9, there is a kind of acquisition (using here the more general term *κτητική*) which is in accordance with nature, how about that other sort—for which people commonly and properly use the term Chrematistic in a narrower sense—which has led men to think that wealth and property are limitless? The criterion he has already used—the consideration whether or not men *directly* supply their own wants by their own exertions—may be enough, he seems to think, to explain the nature of *natural* acquisition. But, to understand the *unnatural*, a further consideration is needed. Accordingly, he points out a new method of approach by means of a distinction between “the twofold use” (*διττὴ ἡ χρῆσις*) of goods;* as of a shoe, for wear and for exchange (*μεταβλητική*). These uses he distinguishes as “proper” and “not proper.” (*ἡ μὲν οἰκεία ἡ δ’ οὐκ οἰκεία*),—terms to be kept in mind. He proceeds to explain how the latter arises out of the former. First there comes into existence a primitive barter (*ἡ ἀλλαγὴ*), in this wise:—

In the very beginning, in the first family community, everything was in common. But, as this earliest community broke up, it came to pass that after a time some had what others lacked, and *vice versa*.† “And of these they had to make

* Commonly, though not quite satisfactorily, explained as identical with the modern distinction between “Value in Use” and “Value in Exchange.”

† This seems to be the sense, either of the passage as amended by Bernays by the insertion of *ἐτεροι* before *ἐτέρων*, or of the first of the two versions of Jowett, ii. 28.

transfers from one to the other (τὰς μεταδόσεις), according to their needs, as many of the barbarous nations still do by way of barter. Such nations barter χρήσιμα for one another, and for nothing else; for instance, giving and receiving oil for corn, and the like. This kind of exchange" (ἡ μὲν τοιαύτη μεταβλητική,—he cannot help calling it μεταβλητική) "is not *against* nature (παρὰ φύσιν), and is not a variety of Chrematistic (in the bad sense), since it is for the filling-up of that sufficiency which is according to nature" (εἰς ἀναπλήρωσιν γὰρ τῆς κατὰ φύσιν αὐταρκειᾶς ἦν,—the making-up of that full equipment of the household with the necessary implements of the art of οἰκονομική which he has just explained to be "*true* wealth"). But, he says, it is easy to understand (κατὰ λόγον) how out of this kind of exchange the other kind arose. To meet the difficulty of transporting (even) things naturally necessary, the device of money was resorted to. "And, when coin had been discovered, out of this really necessary barter (ἐκ τῆς ἀναγκαίας ἀλλαγῆς, 1257 b. 1) arose the chaffering of the market (τὸ καπηλικόν)." And soon money itself came to be sought; and, as there seems to be no limit to the accumulation of money, the trade that hereupon arises disregards that limitation which he regards as of the essence of true wealth, and so becomes unnatural.

Passing over chapter 10, where Aristotle pauses to consider whether the commendable form of Chrematistic is a *part* of the householder's art or a *prerequisite* or necessary *auxiliary*, we come at last to chapter 11; and this may now, perhaps, appear to be but a restatement in brief, and in somewhat different formulæ, of the position already maintained. First there are the really serviceable (χρήσιμα) parts of Chrematistic. There is the knowledge of live stock; and then there are husbandry and bee-keeping, and the keeping of fish and birds, etc. These are varieties of Chrematistic in its most proper form (τῆς οἰκειοτάτης χρηματιστικῆς). Aristotle is here repeating the thought of chapter 8, as to the different ways in which the various nations of men obtain their subsistence, but with a difference. There he was "surveying mankind from China to Peru": here he is laying down principles to guide his own Athenian hearers. He begins the chapter by remarking that

he had said enough about the theory, and that it was time to come to practice. This may explain why the two lists of occupations are not quite identical. Piracy, for instance, when he surveyed mankind at large, he had to recognize as one of the forms of direct acquisition; but, now that he is addressing the Athenians of his own time, he can safely leave it out. And not only is he repeating the thought of chapter 8, but *οικειοσύνη* seems to refer to the thought of chapter 9. These commendable forms of Chrematistic, he hints, are marked not only by *direct acquisition* from nature, but also by *personal use* of the things acquired.

Then follow the varieties of the unnatural Chrematistic,—of Exchange (*ἡ μεταβλητική*), as it is called here; (1) “Commerce (including commerce by sea, commerce by land, and the business of the warehouseman or shopkeeper); (2) usury; and (3) service for hire.” Here he is but amplifying and illustrating, with an eye to actual conditions, what he has before spoken of by the slighting term *καπηλική* (not necessarily “retail trade” in the modern sense, but “the chaffering of the market,” or “trade” with the English aristocratic inflection of contempt). And so at last we come to our passage; and of that a not unnatural explanation would seem to be found in the supposition that what Aristotle has in his mind is nothing more nor less than the primitive and strictly necessary Barter, before the introduction of a currency, which he has already described in chapter 9. We might translate it, “The third kind of Chrematistic” (he either forgets to mention that it is Barter he is referring to, or trusts to the quick wits of his readers to supply the idea) “is midway between this” (improper form) “and the first. It is on one side according to nature, and yet it belongs on another side to exchange. It has to do with products of the soil” (reverting to his language in chapter 8, 1256 a. 39), “and with products of things that come from the soil which are serviceable although they are not (strictly speaking) fruits.” His thought goes back to what he had said in chapter 8 about those who lived ἀπὸ τῆς γῆς . . . καὶ τῶν ἡμέρων καρπῶν. It occurs to him, in passing, that he may have been understood in the previous chapter to limit necessary barter to fruits of

the soil; and so he thinks it worth while to add that things may be *χρήσιμα* (serviceable), and therefore the acquisition of them, for the real needs of the household, through barter, will be according to nature, although they are not fruits or crops produced by cultivation. And then, parenthetically, he says in effect, "I need only remind you [of what we get from] the lumberman's craft and the whole metallurgic art." With a passion for completeness, he is not content unless he can add still further, sub-parenthetically, "Of course there are many branches of metallurgy, for there are a good many kinds of mineral taken out of the earth."

In this view, *ὕλοτομία* and *μεταλλευτική* are simply illustrations of the fact that things may come out of the earth and yet be serviceable, although they can hardly be called "crops." But it is not these arts themselves that he regards as intermediate forms of Chrematistic, but the (unexpressed) Barter of things really serviceable for the household, whatever they may be.

There is, indeed, a difference of formulation between chapter 9 and chapter 11 in respect to Barter,—if we suppose it is Barter that is here meant; but it is a difference that only the more clearly brings out Aristotle's view. In chapter 9 he called it a sort of exchange (*ἡ τοιαύτη μεταβλητική*), but judged it to be "*not against nature*," since men thereby only supplied their real needs, and there was no limitless thirst for money. But he evidently regards it with regret, as inevitably bringing about the use of money which leads to the mercantile lust for lucre. And now, by a slight and very natural rearrangement of his scheme, he speaks of it as intermediate. It is, in a way, a form of trade, and trade on the whole is bad. On the other hand, it has to do with the acquisition, not of limitless quantities of money, but really of things serviceable; and so it is "*in part according to nature*." The essential thought is exactly the same.

The following table is presented in further illustration of the classification here maintained. It will be seen that it differs in several points from that in Jowett, ii. 35.

My distinguished colleague, Professor W. W. Goodwin, who has had the kindness to look over this paper in MS., and to discuss it with me subsequently, has sent me the letter which by his permission is now printed below.

CAMBRIDGE, March 13, 1895.

Dear Professor Ashley,—I think no apology is needed for changing my mind about the puzzling passage in Aristotle's *Politics*, I. 11, 4, when a most learned Aristotelian like Susemihl, who has devoted much of his life to Aristotle, and has edited the *Politics* four times, can give us no more satisfaction than he does in his last note on the passage.

I despair of finding any interpretation which will give ὅσα in line 29 any construction which can be fully justified grammatically. Bernays's emendation, οὔσα, does not help matters; and, though I strongly suspect a defect or corruption in the text, I have no addition or change to suggest. It seems to me more and more evident, after repeated study of the four chapters (8–11), that in some way the whole clause ὅσα . . . μεταλλευτική (lines 29–31) must be made to depend on the verbal force of μεταβλητικῆς (line 29), and must denote the various things which are *exchanged* (by simple barter, or perhaps through the help of money) for other things useful in the household. Lines 12–21 relate to what is strictly οἰκειοτάτη χρηματιστική (line 20), which has been described in chapter 8, including all that man gets by dealing with nature *at first hand* (the αὐτόφωτον ἐργασίαν of 8, 8), but excluding even barter, which would not be needed in the primitive household, where all things were in common (9, 5). Then lines 21–27 relate to regular trade, which has no connection with οἰκονομία, consisting of commerce, usury, and labor for hire, which had been discussed in parts of chapters 9 and 10. Lastly, in lines 27–31, he mentions a third kind of χρηματιστική, intermediate between the two others and partaking of the nature of both. This, he says, has two parts. One part belongs to the strictly natural form of χρηματιστική, inasmuch as it derives its material directly from the earth and from nature. The other part belongs to the trading species, and consists of exchanging for other commodities (μεταβλητικῆς) the direct fruits of the earth (ὅσα ἀπὸ γῆς), and also those products of the earth (τῶν ἀπὸ γῆς γινομένων) which, though they are not fruits, are yet commodities, like timber and metals. If you ask me how I get this out of the Greek, I must say that I could not do it if I were interpreting Demosthenes or Plato; and I doubt whether it can be done with the present text without emendation. The construction would have to be μεταβλητικῆς (τοσοῦτων) ὅσα ἀπὸ γῆς καὶ τῶν ἀπὸ γῆς γινομένων, with the two genitives depending on μεταβλητικῆς. This may possibly pass in Aristotle. I think you are undoubtedly right in thinking that there is no mention of exchanging the products of the earth

in the account of either the two other kinds of acquisition in chapter 11, and that therefore it must come in here. But I could not see how this could possibly be found in this passage, so long as the usual parenthesis is kept, including μεταβλητικῆς. It was only when it occurred to me to discard the parenthesis, and to take μεταβλητικῆς with the following words, that I could find any such meaning as you justly demanded.

I must thank you for asking me a question which made it necessary for me to study this important passage again, and with more care than I ever gave to it before.

Yours most truly,

W. W. GOODWIN.

P.S.—With this view, I do not feel so strongly as I did that the account in chapter 11 is written from a different point of view from that in the preceding chapters, and so may be inserted here from a loose paper of Aristotle, like certain passages in Book IV. (vii.).

